

# **FISCAL NOTE**

## **HB 468**

February 13, 2001

**SUMMARY OF BILL:** (1) Prohibits a charitable organization from spending more than 10% of donated funds for administrative expenses; and (2) requires an organization to file a report of administrative expenses with the Secretary of State within 30 days after the end of the organization's current fiscal year and to include such information in its financial report.

Current law does not set limits on the amount of donated funds a charitable organization may spend for program service, fundraising or administrative expenses. Also, under current law, a charitable organization must file financial reports with the Secretary of State within six months after the end of its fiscal year.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - Not Significant**

**Increase State Revenues - Not Significant**

Estimate assumes:

- a cost for printing forms to report administrative expenses, postage and printing costs for reminder notices. However, such cost is estimated to be not significant.
- an increase in state revenues to the extent civil penalties are imposed and collected for violations. However, such increase in state revenues is estimated to be not significant.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

**HB 468**